

THE SOCIETY OF HOMEOPATHS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2002



**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

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THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Zofia Dymitr
Susan Crump
Helen Campbell
Andy Kirk
Lesley Foulkes
Francis Treuherz
Angela Needham
Melanie Oxley
Kate Chatfield

Company secretary

Francis Treuherz

Registered office

4a Artizan Road
Northampton
NN1 4HU

Auditors

dng Dove Naish
Chartered Accountants
and Registered Auditors
Eagle House
28 Billing Road
Northampton
NN1 5AJ

Bankers

The Co-operative Bank PLC
PO Box 250
Skelmersdale
WN8 6WT

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Society continue to be:

- a. to develop and maintain high standards for the practice of homeopathy
- b. to develop and maintain for public use a Register of Homeopaths who practice to the standards required by the Society and abide by the Society's Code of Ethics and Practice
- c. to protect the public's freedom to have homeopathic treatment now and in the future
- d. to promote public awareness of homeopathy and to encourage its responsible use in the home
- e. to promote and encourage the establishment of education and training in homeopathy

During 2002 an important structure review took place, which will have long term implications for the organisation. Consultation has taken place with key personnel and members, and we are confident that the new structure will lead to a more effective and efficient service to members and the public.

The Society continues its work with the Council of Organisations Registering Homeopaths towards a single register, which has led to increased financial support to that organisation.

The central area of registration work has benefited from the appointment of a Senior Registration Officer, supported by a revised administrative post.

A provision was made in the accounts for the expectation of accrued membership insurance costs from previous years. In the event, judicious negotiation by our brokers has meant these costs were less than anticipation.

The directors therefore consider a surplus of £25,849 a positive contribution to ongoing essential work in membership development, regulation, politics and public relations.

RESULTS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

DIRECTORS

The directors who served the company during the year were as follows:

Susan Crump	
Helen Campbell	
Andy Kirk	
Lesley Foulkes	
Francis Treuherz	
Angela Needham	
Melanie Oxley	
Zofia Dymitr	(Appointed 1st December 2002)
Kate Chatfield	(Appointed 22nd March 2002)
Patricia Haggie	(Retired 22nd March 2002)
Clare Relton	(Retired 18th November 2002)

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2002

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to re-appoint dng Dove Naish as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
4a Artizan Road
Northampton
NN1 4HU

Signed by order of the directors



FRANCIS TREUHERZ
Company Secretary

Approved by the directors on 6 February 2003

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31ST DECEMBER 2002

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

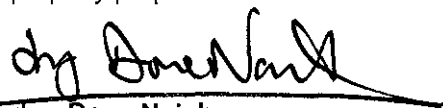
BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



dng Dove Naish
Chartered Accountants
and Registered Auditors
Eagle House
28 Billing Road
Northampton
NN1 5AJ

18 February 2003

THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2002

	Note	2002 £	2001 £
TURNOVER	2	691,632	667,980
Administrative expenses		665,682	618,457
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		25,950	49,523
Tax on profit on ordinary activities	6	101	587
RETAINED PROFIT FOR THE FINANCIAL YEAR		25,849	48,936
Balance brought forward		95,369	46,433
Balance carried forward		121,218	95,369

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 10 form part of these financial statements.

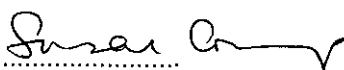
**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

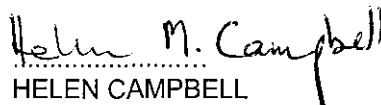
BALANCE SHEET

31ST DECEMBER 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	7		11,049		12,889
Investments	8		10		10
			<u>11,059</u>		<u>12,899</u>
CURRENT ASSETS					
Debtors	9	75,219		79,049	
Cash at bank and in hand		<u>117,785</u>		<u>101,835</u>	
		193,004		180,884	
CREDITORS: Amounts falling due within one year	10	<u>82,845</u>		<u>98,414</u>	
NET CURRENT ASSETS			110,159		82,470
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>121,218</u>		<u>95,369</u>
RESERVES	13				
Profit and Loss Account			121,218		95,369
MEMBERS' FUNDS			<u>121,218</u>		<u>95,369</u>

These financial statements were approved by the directors on the 6 February 2003 and are signed on their behalf by:


SUSAN CRUMP


HELEN CAMPBELL

The notes on pages 7 to 10 form part of these financial statements.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	33.33% on cost
Office equipment	25% on cost
Fixtures, fittings and furniture	15% on net book value

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2002	2001
	£	£
United Kingdom	<u>691,632</u>	<u>667,980</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation	8,632	10,280
Profit on disposal of fixed assets	(115)	(500)
	<u> </u>	<u> </u>

Included in income is £25,392 relating to over an excessive provision for insurance costs made at 31 December 2001. An amount of £34,000 was accrued for uninvoiced insurances. The directors are pleased to advise that the actual invoice received amounted to only £8,608.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No.	No.
Number of administrative staff	10	9
Number of management staff	11	11
	<u>21</u>	<u>20</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	349,228	303,487
Social security costs	—	—
	<u>349,228</u>	<u>303,487</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	<u>38,314</u>	<u>35,800</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Taxation

	2002	2001
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 2.46% (2001 - 10%)	101	587
Total current tax	<u>101</u>	<u>587</u>
Tax on profit on ordinary activities	<u>101</u>	<u>587</u>

The Society has mutual trading status and corporation tax is only chargeable on its income from bank deposits.

THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST	
At 1st January 2002	97,921
Additions	6,792
Disposals	(115)
At 31st December 2002	<u>104,598</u>
DEPRECIATION	
At 1st January 2002	85,032
Charge for the year	8,632
On disposals	(115)
At 31st December 2002	<u>93,549</u>
NET BOOK VALUE	
At 31st December 2002	<u>11,049</u>
At 31st December 2001	<u>12,889</u>

8. INVESTMENTS

	Shares in Group Undertakings £
COST:	
At 1st January 2002 and 31st December 2002	<u>10</u>
NET BOOK VALUE:	
At 31st December 2002	<u>10</u>
At 31st December 2001	<u>10</u>

The company owns 100% of the issued share capital of the companies listed below:

	The Society of Homeopaths Trading Company Limited	Homeopathic Education Training and Research Agency Limited
Nature of Business	Sale of publications and publicity material	Provisions of education, training and research facilities
Aggregate capital and reserves as at 31st December 2002	£(14,601)	£2,262
Profit/(loss) for the year ended 31st December 2002	£1,642	£172

Under the provisions of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so. The financial statements show information about the company as an individual entity.

**THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2002

9. DEBTORS

	2002	2001
	£	£
Trade debtors	18,119	1,950
Amounts owed by group undertakings	53,227	63,558
Other debtors	2,766	3,478
Prepayments and accrued income	1,107	10,063
	<u>75,219</u>	<u>79,049</u>

10. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Trade creditors	7,876	8,533
Amounts owed to group undertakings	5,261	4,413
Corporation tax	101	587
Other creditors	4,000	3,184
Member subscriptions prepaid	60,893	47,617
Accruals and deferred income	4,714	34,080
	<u>82,845</u>	<u>98,414</u>

11. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	2002		2001	
	Land & Buildings	Other Items	Land & Buildings	Other Items
	£	£	£	£
Operating leases which expire:				
Within 1 year	—	1,657	—	—
Within 2 to 5 years	9,500	—	9,500	—
	<u>9,500</u>	<u>1,657</u>	<u>9,500</u>	<u>—</u>

12. RELATED PARTY TRANSACTIONS

The company was under the control of its Board of Directors, who are listed in the Directors' Report throughout the current and previous year.

During the year, the company undertook the following transactions with its subsidiary undertakings:

	Trading Company	HETRA
Charge for use of Facilities	£3,200	£7,480
Balance owed to/(from) subsidiary at 31st December 2002	£(40,496)	£(7,480)

13. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore does not have a share capital.

THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE

MANAGEMENT INFORMATION

YEAR ENDED 31ST DECEMBER 2002

The following pages do not form part of the statutory financial statements
which are the subject of the auditors' report on page 4.

THE SOCIETY OF HOMEOPATHS LIMITED
COMPANY LIMITED BY GUARANTEE
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2002

	2002		2001	
	£	£	£	£
TURNOVER				
Insured membership fees		511,959		496,689
Student and subscriber fees		32,156		34,205
Recognition / moderation fees		30,582		32,917
Sales and advertising		24,915		24,122
Registration and examination fees		26,891		33,362
Bank interest (gross)		4,096		5,873
Office facilities and services		32,641		40,812
Sponsorship		3,000		—
Exceptional item - write back over accrued insurance costs		25,392		—
		<u>691,632</u>		<u>667,980</u>
OVERHEADS				
Personnel	349,228		303,487	
Premises Expenses	17,556		18,007	
Equipment Expenses	6,605		9,692	
Membership (including insurance)	100,039		83,090	
Registration	390		1,161	
Company Expenses	28,428		29,218	
Society Meetings and Travel	37,575		36,486	
Other Meetings and Travel	1,070		1,982	
Communications	67,348		73,413	
Publications	32,965		36,522	
Public Relations	10,050		4,284	
Trading company leaflet subsidy	—		7,235	
Legal and professional fees	588		235	
Depreciation	8,632		10,280	
Profit on disposal of fixed assets	(115)		(500)	
Bad debts written off	447		—	
Bank charges	4,876		3,865	
		<u>665,682</u>		<u>618,457</u>
PROFIT ON ORDINARY ACTIVITIES		<u>25,950</u>		<u>49,523</u>